

# “Sufficiency Economy” Ideal in Thailand

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- **The Philosophy of Sufficiency Economy:**  
(Proposed by Thai King Bhumibol Adulyadej, 1992)
  - Guides the livelihood and behavior of people at all levels.
  - A middle ways in economic development.
  - Build on the spiritual foundation: Moral integrity, honesty, self-awareness, & diligence.
- **Definition:** Moderation, reasonableness, & self-immunity system.
- **Regarding the form and function:**
  - A middle-path philosophy serving as a guide for the way of living/behaving for people of all levels.

- **As an agenda:** Delivers the middle path as the "economic life guiding principle."
- **For application domain:** is scalable, with universal domain applicability: individual, household, community, project, business, management, institution, polity, society, nation-state, region, humanity, and biosphere.
- **As economic framework's foundation:** governing everything from motivation (utility, drives, etc.), to criteria (goals, objectives, etc.), to behavior (production, consumption, [investment](#), etc.), to system (collectivity, connectivity, etc.), and address all issues within a dynamic setting.

- Regarding relevant contexts of Sufficiency

- Economy:

- **As the past course of development:** has been put forward for a while, and is not initiated as a result of the Asian crisis in 1997.
- **As the present course of development:** has been re-emphasized as the solution to challenges posed by globalization in the post-crisis environment.
- **As the future course of development:** the middle path remains critical, particularly now with the process of pursuing economic and social development so as to keep pace with globalization.
- **As the promise of future:** ensures balance and readiness to cope with fast and extensive changes with respect to materials, society, environment, and culture.
- **As a paradigm shift:** arises against the backdrop of globalization-driven integration of the world and the pace of technological-cultural-social changes.

- **Regarding the working definition:**
  - **Entails three components:** moderation, reasonableness, and requirement for a self-immunity system, i.e. the ability to cope with shocks from internal and external changes.
  - **Two underlying necessary conditions:**
    - **Knowledge conditions:** requires breadth and thoroughness in planning, carefulness in applying knowledge, and the implementation of those plans.
    - **Moral/ethical criteria:** enforces the conditions that people are to possess honesty and integrity, while conducting their lives with perseverance, harmlessness and generosity.

- **Application:** The New Theory Agriculture in 3 stages: sufficiency at the household level, at the community level, and at the national level.
  - **At household level:** for 4~5 members, need 2.4 hectares:
    - 30%: Rice cultivation.
    - 30%: Field and garden crops.
    - 30%: Pond of 4 meters deep: Storage capacity of 19,000 cubic meters.
    - 10%: Housing and other activities.
    - **Increasing the sustainability of farming:** insect & weed control, water & soil management, integrating livestock & crop production operations, using non-crop species of plants for nutrient cycling & soil protection.
    - **Allowing farmers:** self-sufficient in terms of food and be able create proportionate income from selling extra crops and products beyond necessary consumption of the household.
    - **Providing basic self-immunity:** for farmers against various contingencies and adversities.

## – At the community or organization level:

- Co-operative activities within the community: sharing excess resources of each household.
  - Community enterprises, co-op based production, community saving groups, & community healthcare.
- **Result:**
  - Greater self-reliance of each community.
  - Enhancing the capacity of community members in reducing costs of living.
  - Increasing income.
  - Creating community social safety net.
- **Achieve scalable economies:** A cluster development of businesses in the same locality with similar activities.

## – At the national level:

- Community: expanding activities: value-chain in production: community rice mill or co-operative stores.
- Reaching out to co-operative firms, banks, and other outside sources.
  - Raising [funds](#),
  - Creating direct sales channels.
  - Seeking funds for establishing among others.
- Collaborations of various institutions: at the national level.
  - Firms: initiating corporate social responsibility to reach out to communities.
  - Public sector:
    - » Promoting different types of associations.
    - » Facilitating trust among actors through institutional arrangement.

- Applying the New Theory Agriculture in Empowering Community: 2<sup>nd</sup> & 3<sup>rd</sup> stages.
- Engaging in the program of facilitating each community to develop its own Community Development Plan (CDP).

1. Sufficient at the household level (community members): organizing a consultative meeting to share the understanding of the purpose of CDP, its benefits and application for the community.

2. Understand CDP objectives (community members): explore the information and data related to situations of community: income and expenditure, natural resources, public utilities and services available.

- Community committee with the co-operation of all villagers, government agencies, community members' experiences: Share data of expenditure & income.

3. Community members: convene meetings to present and discuss the obtained information/data: Share the strengths and weaknesses of their community.

4. Articulate a shared vision for the community, with a work plan to make that vision come true:

- Reducing expenditure on food by producing more consume crops within the village that can lead to more self-reliance. Setting up a saving fund within the village for members to borrow in times of need.
- Assisting those in the community who are yet to reach a self-reliant stage, among other examples.

5. If community members cannot figure out the solutions: Visiting other communities to learn from the experiences of external counterparts.

- Learning among people.
- Learning from those who succeeded are encouraged, not listening passively to government officers or experts.

# Application

- **Application in Development and Management:**
  - At the level of international relationships--political and economic, application in development of the country, application in a level of organization, and at the community level.
  - Sufficiency Economy: a middle-path development strategy that interconnected all related factors in a holistic way.
  - Revitalizing the socio-economy after 1997 financial crisis.
- **Application in Sector Management: agriculture and industrial sectors:**
  - Applying in risk management context as a way to develop external and internal self-immunity.
  - Universities and institutions in Thailand (Mae Jo University, Kasetsart University and NIDA): establishing coursework related to Sufficiency Economy at the graduate level.

- **Application in Politics, Administration, Government:**
  - A basis for political development.
  - Emphasizing geopolitics, sustainable development, community empowerment, and social capital development, & good governance.
- **Application in Natural Resources and Environmental Management:**
  - Recognized the utilization of local wisdom in achieving sustainability.
  - A holistic management of soil, water, and air, in order to bring microorganisms and earthworms back to the soil.

- **Application in Daily Lives:**

- Sufficiency Economy as a culture and moral standard:

- Emphasizing on non-greed and sharing.
    - Base interdependence principle among people and with nature.
    - Be sufficient of basic needs, while being sustainable in ecological system and lifestyles.

- **Sufficiency Economy Movement:**

- Developing and coordinating the learning network.
  - Creating new knowledge through study and research.
  - Producing curriculum and learning process.
  - Disseminating the information and knowledge to the public.

- **The UNDP's 'Thailand Human Development Report 2007: Sufficiency Economy and Human Development':**
  - 1 year of collaboration between Thai and international experts.
  - Bring Sufficiency Economic thinking to a wider international audience.
  - A set of tools and principles that help communities, corporations and governments to manage globalization.
    - Maximizing its benefits
    - Minimizing its costs
    - Promote sustainable development, equity, and resilience against shocks.
  - A much needed "survival strategy" in a world of economic uncertainty and environmental threats.

# Conclusion

- Sufficiency Economics principles:
  - For communities:
    - Fundamental to empowerment and building resilience, such as setting up savings groups, revolving credit lines, and local safety nets.
  - For private business:
    - Taking corporate responsibility to the next level by using this approach as a guide to management and planning.
  - For the governments:
    - Alleviate poverty,
    - Promote good governance.
    - Guide macroeconomic policies to immunize against shocks.

- A naturally ally of human development.
- Placing greater emphasis on mental and spiritual development.
- Offers guidance on how to make decisions that will achieve sustainability, well-being and happiness.
- Guides the livelihood and behavior of people at all levels.
- A middle ways in economic development.
- Build on the spiritual foundation: Moral integrity, honesty, self-awareness, & diligence.
- Moderation, reasonableness, & self-immunity system.
- A middle-path philosophy serving as a guide for the way of living/behaving for people of all levels.